

**Testimony of
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and
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Before the Senate Special Committee on Aging
The Economic Downturn and Its Impact on Seniors:
Stretching Limited Dollars in Medicaid, Health and Senior Services
March 14, 2002**

Good morning, Ranking Member Craig, Chairman Breaux and distinguished Members of the Senate Special Committee on Aging. My name is Barry Donenfeld, and I've been the Executive Director of Mid-Willamette Valley Senior Services Agency (MWVSSA) since 1990. I'm also the current president of the National Association of Area Agencies on Aging (n4a). Mid-Willamette Valley Senior Services Agency is the Area Agency on Aging (AAA) that serves Oregon's older adults in Marion, Polk and Yamhill counties in northwest Oregon. I appreciate the opportunity to share information about MWVSSA, n4a, Oregon's long-term-care system and the cost-effective ways our agency has been able to provide services.

For the last year and a half, n4a has heard repeatedly from AAA directors all across the country how shrinking state budgets, increased demand for services and local fiscal constraints are impacting their agencies' ability to serve vulnerable older people.

The fundamental mission of n4a and the AAAs is to help older Americans stay in their own homes and communities with maximum dignity and independence for as long as possible. AAAs are dedicated to enhancing the quality of life for older Americans and their families by providing information about and access to a variety of services in local communities. AAAs often serve as a "single point of information" for the complex and fragmented range of home and community-based services for older adults and their caregivers. These services include congregate and home-delivered meals, other in-home services for frail seniors (such as personal care and chore services), elder abuse prevention and protections, the nursing home ombudsman program, senior centers, transportation, consumer information, education, counseling and senior employment.

The strength of the AAA system is that it's a nationwide network of agencies that share a common mission and provide a set of core services. Since the mid-1970s, AAAs have demonstrated an extraordinary record of achievement in stretching a limited amount of federal money to help hundreds of thousands of older people avoid costly nursing home placement and to remain independent in their communities. Older Americans Act (OAA) funds make it possible for AAAs to leverage millions of non-federal dollars from local governments, foundations, the private sector, program participants and volunteer contributions. The OAA is a prime example of federal, state, and local partnerships that work.

Mid-Willamette Valley Senior Services Agency is one of 18 AAAs in Oregon. All Oregon AAAs administer programs funded through the federal Older Americans Act and a state program, Oregon Project Independence (OPI). Some Oregon AAAs, like MWVSSA, also administer Medicaid long-term-care programs for the elderly. A few AAAs provide these services to younger adults with disabilities as well as older adults.

The mission statement of MWVSSA, is "to assist older persons in making and implementing choices that increase independence and quality of life." MWVSSA is the second largest AAA in the state, with a current caseload of about 5,300 individuals and an annual budget of about \$53 million, which includes service payments of \$43 million. The agency employs 135 individuals at its five offices and 12 meal

sites.¹

The agency was created in 1982 to serve older adults in Marion, Polk and Yamhill counties. The nine County Commissioners from this tri-county area serve as the agency's Board of Directors and are actively involved in setting policies for the agency's operations. MWVSSA is particularly proud of its active, involved 23-member Advisory Council that admirably fills the council's role under the guidelines of the Older Americans Act.

The Current Economy

Oregon

The current economic downturn and how it could affect MWVSSA's ability to deliver services to older adults has concerned our staff, advocates and clients. In the past two months, Oregon's Legislature has struggled through special sessions to rebalance the state's budget and erase an \$846-million revenue shortfall in the state's two-year, \$12.3 billion budget.² While the overall unemployment rate for the nation fell to 5.6 percent, Oregon had a seasonally adjusted unemployment rate that rose to 8.0 percent in January.³ Though other states may be seeing signs of economic recovery, Oregon is not.

For example, Mid-Willamette Valley Senior Services Agency realized a five percent increase in clients receiving public assistance, specifically food stamps, from October through December, 2001.⁴ If this trend were to continue, it would represent a 20% annual growth rate.

In addition, advocates for Oregon's senior services programs have been concerned that in their effort to rebalance the state's budget, the Oregon Legislature might make cuts that restrict Oregon's cost-effective, community-based model for delivering long-term-care services to seniors.

National

Oregon is not alone in its concerns about the effect of the economy on the AAAs' ability to provide assistance to all older adults in need of vital social services that allow them to remain in

their homes and communities. Over the last few years, many AAAs across the country have been

affected by tightening state budgets. The recent downturn in the national economy has only aggravated the effect. Several states have reported that they are prioritizing the services they will provide and trying to safeguard the most frail and vulnerable service recipients.

Metropolitan areas are feeling the squeeze between an increased demand for services and diminished fiscal capacity. The New York City Department on Aging received a \$12.3 million budget cut in November, 2001, and just recently received an additional \$26 million, or 16 percent cut, to their budget. The Department worked diligently to maintain core services for the millions of seniors it serves. However, to absorb the budget cuts, the Department has proposed eliminating a recently-implemented weekend meal provision and consolidating other services. The proposal includes shutting down seven senior centers, eliminating plans to build four new senior centers, eliminating funding for particular senior program contracts, and implementing an across the board 2 percent reduction in all senior service contracts.

Rural counties have been hit especially hard by the economic downturn. According to a recent article in

The Public Policy Aging Report, Fall 2001, the trend of out-migration of the younger population has resulted in eroding tax bases, inadequate labor pools, and increased numbers of uninsured. Rural counties, particularly those not adjacent to metropolitan areas, often have more than a fifth of their population over 65 years of age, with a higher than average percentage of these elders being 85 years and older. Age and poverty each result in higher demands for social services, but together the need is significantly exaggerated. Rural communities tend to have a higher percentage of persons living in poverty, with the rate approaching 50 percent in some states and among some groups of older adults. For example, a southern Ohio AAA serving 10 rural Appalachian counties, just had the majority of these counties go from labeled "at risk" to qualifying as "in distress" based on low per capita income and high poverty and unemployment.

Numerous rural AAA directors assert that transportation is one of their most difficult problems. Increased gasoline costs have negatively affected both older adults in need of services and the service providers themselves. A director of an upstate New York AAA said her agency has seen a significant increase in the demand for trips in the last year and attributes the increase to the fact that many older adults could no longer afford their automobiles. Because they can't get to services, rural older adults need the services to come to them. A central Oklahoma AAA recently reported that, while the demand for home-delivered meals continues to increase, the ability of the agency to provide the volume of meals needed has been reduced due to high gasoline prices, increases in insurance and other transportation costs.

Older adults have, like the nation as a whole, felt the impact of the downturn in the stock market, low-interest rates and an increase in unemployment resulting in a reduction of disposable income. AAAs have indicated a significant increase in the number of older adults seeking participation in senior employment programs within the last year. For an Alabama AAA, there has been a reported 50 to 75 percent increase in requests for employment assistance at the senior

employment program they operated during the last year, with the greatest increases occurring after August. Their waiting list is so great that the AAA has had to direct seniors to the county employment program, an agency which is also experiencing a similar overload.

The Oregon Long-Term-Care Model:

Lower Cost, Community-Based Care for Most Medicaid Clients

According to legislative testimony presented for Oregon's Department of Human Services, in 1985-86, six of every 10 Medicaid clients lived in a nursing facility. By 2000, as a result of Oregon's long-term-care options, only 2.8 of every 10 Medicaid clients were residents of a nursing facility. The Oregon model for long-term-care is nationally recognized for the cost effective way it delivers services and for the emphasis it places on helping older adults and people with disabilities stay where they almost always want to stay, in their own homes and communities. The Oregon model builds on the Older Americans Act values and establishes one-stop, integrated, community-based programs that provide unique opportunities for older Americans and their families.

This model utilizes a combination of state and federal funds in the delivery of community-based programs. Since state funds are matched by federal funds (at almost \$2 of federal funds for every \$1 of state funds), it requires adequate funding from both state and federal sources to maintain services.⁵

History

The Oregon system for long-term-care was created by the 1981 Oregon Legislature in response to advocacy efforts by Oregon seniors and in response to a major recession that faced state government. In the late 1970s and early 1980s, the state was in a recession due to a significant downturn in its major industry, the wood products industry. The state was also experiencing increased costs in nursing facility expenditures.⁶

From 1974 to 1979, the state estimated that Oregon's nursing facility caseload increased more than 30 percent, while the population of Oregonians aged 75 and older was growing only by 14 percent. The rate of inflation in nursing facility cost was over 100 percent, while medical inflation was about 80 percent. To cut costs, the 1981 Oregon Legislature developed a new Senior Services Division. The new division was directed to contain long-term-care costs while ensuring that services offered clients independence, dignity, privacy and choice.⁷ I offer this information as other states can look to the Oregon model as a way to cut costs and/or expand services through reinvestment of savings in their own states.

Oregon's new division was able to develop a community-based-care system by securing a Title XIX federal waiver that allows the state to spend Medicaid nursing-facility dollars on less costly and more desirable community-based care. The savings from nursing-home care was used to develop a network of care options that include the following.⁸

Oregon's Long Term Care Choices

In-home Services

In-home services are the most rapidly growing and the most popular part of Oregon's long-term-care system. Seniors and people with disabilities can receive services in their own homes or

apartments. Those services include help with personal or health care needs and may include help with housekeeping. In-home services can include: meal preparation, shopping and transportation, home health services, assistance with medications, housekeeping and laundry services, money management, assistance with medical equipment and help with dressing or personal hygiene. Nursing services and home-delivered meals can also be arranged.

Clients can choose their own caregivers or the agency can arrange for their care.

A client-employed-provider program allows providers to work directly for the person receiving care, so the clients can control and direct their own care services. These providers are screened for criminal record histories by the state and hired by the client. There are about 13,000 client-employed-providers working in Oregon. The state also has an estimated 1,800 adult foster homes, over 150 nursing homes and 340 assisted living/residential care facilities.⁹

For family members or other caregivers that are providing care for clients in their own homes, respite-care services or adult-daycare services are types of in-home services that can provide relief for caregivers in Oregon.

Adult Foster Homes

These are individual, private residences licensed to provide care for five or fewer residents. They offer room, board, personal care, and 24-hour supervision. Planned activities are available, and some homes provide transportation services, private rooms or nursing services. A wide variety of residents are served

in adult foster homes, from those needing only room, board and minimal personal assistance to those residents needing total custodial care and skilled nursing tasks. The care provided depends on the client's needs and the skills, training and abilities of the provider. Adult foster homes are inspected, licensed and monitored by the state or an Area Agency on Aging. About 50 percent of the adult- foster-home clients in MWVSSA's service area are private-pay clients.¹⁰

Assisted Living Facilities

These are homes with six or more private apartments. They are fully wheelchair accessible and offer full dining room services, housekeeping, and call systems for emergency help when needed. A registered nurse is always available for consultation. The very first assisted living facility in the country opened in Oregon. These homes follow guidelines that promote the residents rights to privacy, personal choice and independence. The state inspects, licenses and monitors these facilities. About 55 percent of the assisted-living clients in MWVSSA's service area are private pay clients.¹¹

Residential Care Facilities

Residential care facilities are homes licensed to serve six or more residents. They offer room and board with 24-hour supervision, assistance with physical care needs, medication monitoring, planned activities and often transportation services. Some offer private rooms and registered nurse consultation services. Residents can need no more than moderate assistance with personal care and behavior. The state inspects, licenses and monitors these facilities. About 68 percent of the residential-care-facility clients in MWVSSA's service area are private pay.¹²

Nursing Facilities

Nursing facilities provide nursing and custodial care on a 24-hour basis for persons who require assistance with their activities of daily living and 24-hour nursing care. These facilities provide skilled care, rehabilitation and end-of-life care. Nursing facilities are most appropriate for people who need a more protective setting, and many residents have medical and behavioral needs that cannot be met in other care settings. About 63 percent of the nursing-home clients in MWVSSA's service area are private-pay clients.¹³

Oregon requires that all residents be screened before they enter a nursing facility. This screening helps determine the level of a client's impairments. Since 1985, the Oregon system has used a priority system for service based on a client's impairment level. There are 17 priority levels. Level one is the most impaired client, a client who is dependent for help with mobility, eating, toileting and cognition.

This screening assures that the resident's care needs are appropriate for a nursing facility, and it helps family members explore other possible care settings. Nursing homes are inspected, licensed and monitored by the state in compliance with both state and federal regulations.

For Oregon, as of December 2000, 46.03 percent of the 13,649 nursing-home residents, 31.25 percent of the 9,803 assisted-living residents, 39.78 percent of the 8,565 adult-foster-home residents and 20.99 percent of the 7,113 residential-care-facility residents were Medicaid clients.¹⁴

Oregon's System Controls Cost

As a result of Oregon's long-term-care options, an estimated three-fourths of the state's Medicaid clients are served in home and community-based care settings. Unlike most other states, about 50 percent of all Oregon's long-term-care clients live in their own homes. ¹⁵

Oregon taxpayers benefit from a system that provides choice at a lower cost. Though Oregon is recognized as a leader in quality long-term-care, it contributes less per capita for that care than most other states. In Oregon, the average monthly cost for a client to receive in-home services is \$785. It costs 342% more than that, about \$2,685, for a client to receive services in a nursing facility. ¹⁵ Oregon continues to rank lower than most states for its long-term care expenditures per person, age 65 and older. In 1999, Oregon was the 33rd lowest in the nation. ¹⁶

The private sector has also benefitted from the development of these community-based-care choices. As the state developed options for Medicaid clients, these choices became available for older adults and people with disabilities that weren't eligible for Medicaid. Care recipients who could afford to pay for their care also wanted to stay in their own homes and communities, and they like having long-term-care choices that cost less than nursing facility care.

Oregon's Long-Term-Care Delivery System

Oregon's service delivery system has made it easier to develop and access community-based-care options and to discourage unnecessary and expensive institutionalization. To keep the services as close to the consumer as possible, state offices and local partners, including Oregon's Area Agencies on Aging, have provided case management and care planning for Oregon's community-based-care system at the local level. The Oregon system provides a one-stop shopping, or integrated access point, for seniors and people with disabilities.

In 2001, it was estimated that in-home services had 48 percent of the clients but only used 28 percent of the long-term-care budget in Oregon. By contrast, 16 percent of the state's clients needed a placement in a nursing home for their care, but this required 42 percent of the budget. When possible, in-home care or placements in other lower-cost settings, has saved the state money and allowed it to serve more clients. ¹⁷

As an Area Agency on Aging, Mid-Willamette Valley Senior Services Agency works with local resources and state and federal funds to help clients determine which care settings will best meet their medical or physical needs. A case manager looks at the assistance a client needs with activities of daily living, such as bathing, toileting, grooming, mobility, cognition and eating, to determine the appropriateness of a care placement. Staff also help clients determine their eligibility for Medicaid or Oregon Project Independence programs to help pay for care, and they help clients access community resources.

Oregon Project Independence

In addition to in-home Medicaid services, Oregon offers Oregon Project Independence (OPI), a state-funded program which helps nearly 3,700 older adults with services in their own homes at a cost estimated at about \$13.7 million for the 2001-2003 biennium. ¹⁸ The purpose of the program is to promote independent living for those who might not otherwise be able to remain safely at home. OPI is a state-funded service for clients who are not receiving Medicaid. Fees for OPI are determined by a client's income. A client can own their own home, vehicle and other assets and still qualify.

To be eligible for OPI, a client must reside in Oregon, be age 60 and older (or, if younger, have a diagnosis related to Alzheimer's Disease) and must be assessed as needing assistance with their activities of daily living for personal-care or home-care services. A study, in August 2000, by the Oregon Association of Area Agencies on Aging and Disabilities' Contract/Fiscal Managers estimated that the average cost per unduplicated client was \$1,602 annually.¹⁹

Older Americans Act Programs

The Older Americans Act, which was established in 1965, helps older adults, age 60 and older, with nutrition and community support services. It establishes a national and statewide network of Area Agencies on Aging to plan and advocate for seniors at the local level. A new provision in the Older Americans Act, the National Family Caregiver Support Program, will provide caregiver support for the nearly 22-million Americans who provide unpaid care for frail friends and family members.²⁰

Mid-Willamette Valley Senior Services Agency manages an array of Older Americans Act programs for the over 70,000 senior citizens in Marion, Polk and Yamhill counties²¹. One of the primary services that the Older Americans Act provides is information and referral to community services. Older adults or their family members can call the agency to receive information about a wide range of community resources in addition to the services that the agency provides.

Under the Older Americans Act, Mid-Willamette Valley Senior Services Agency provides information about community resources from its offices in Dallas, McMinnville, Salem, Stayton and Woodburn and develops area plans to determine the future needs of the region's older adults.

According to the agency's statistics for the 2000-2001 fiscal year, 3,156 unduplicated clients in the three counties were served under Older Americans Act, Title III registered services such as congregate and home-delivered meals, and an additional 12,892 unduplicated clients received other services under Title III. These latter services included nearly 18,700 inquiries for information and assistance; 1,121 hours of senior legal assistance; 276 volunteer health insurance counseling contacts, and 158 translation assistance sessions. The agency was able to leverage funds through the use of volunteers. In the fiscal year ending in 2001, volunteers contributed over 43,771 hours to the agency at a value of \$289,864.²²

The Older Americans Act also supports the agency's advocacy for the concerns of senior citizens and provides funds for the Senior Mental Health Program (which helped 422 older adults adjust to life changes in 2000-2001).

Mid-Willamette Valley Senior Service Agency's nutrition program provides nearly 800 home-delivered or congregate meals each day from 12 meal sites in Marion, Polk and Yamhill counties. The nutrition program relies on a central kitchen, experienced staff, a registered dietician and hundreds of volunteers who serve or deliver the estimated 208,000 meals served annually.

Nationally, the Older Americans Act binds together 655 AAAs and 232 Title VI Native American aging grantees across the country, providing a support structure for planning, service coordination, oversight, and advocacy. AAAs have the infrastructure in place to provide access to a host of services to older adults which link seniors and their family caregivers to a myriad of service providers in the community. As such, the role of AAAs has steadily expanded to include programs that were not necessarily envisioned in the OAA.

The typical beneficiary served by an Area Agency on Aging is a woman over age 75, with limitations in

activities of daily living, such as bathing, eating and dressing. AAAs throughout the country find that they are working more and more with vulnerable and "hard-to-reach" populations, as well as persons with chronic disabilities of all ages.

Many AAAs manage a variety of funding sources in addition to the Older Americans Act, including Medicaid waivers for home and community-based care, social service block grants, transportation funds, and state-funded in-home service programs. In fact, it is not uncommon for an AAA to coordinate five to 10 different funding sources to meet the service needs of one senior. Of the 655 AAAs across the country, approximately 67 percent are public agencies such as cities, counties, or regional planning commissions and 33 percent are private, non-profit organizations.

Threats and Other Challenges Present New Opportunities

Oregon's Population is Rapidly Aging

Oregon is graying faster than other states. Currently, the state is 10th in the nation in the number of people over the age of 65. In 10 years, it's projected that Oregon will rank fourth with almost 200,000 more men and women over the age of 65, and this trend will continue into the following decade. The fastest growing age group in Oregon consists of those over the age of 85, and it's projected that this age group will double in size in 20 years. Nearly 10,000 or 17 percent of this population group in Oregon are low income.²³

At the same time, the "baby boom" generation, those individuals born between 1946 and 1964, the largest single population cohort in the history of the United States, are advancing towards their senior years. Boomers will begin turning 60 in the year 2006, only four years from now. Between 1998 and 2010, the number of 60 to 64-year-old residents in Mid-Willamette Valley Senior Service Agency's service area is expected to increase by 74.4 percent, with the age 85 and older group increasing by 44.8 percent in that same period of time.²⁴

Planning for Increased Demand

As part of a strategy to free up future resources, the agency moved into a new Salem headquarters building in 1999 and also into a new Yamhill County building in 2000. Both facilities were developed under lease/purchase arrangements.

For both buildings, planning began with a feasibility study. When the studies were completed, it was revealed that the cost of purchasing and operating space would cost less than leasing space. By developing these two new facilities, Mid-Willamette Valley Senior Services Agency is strategically positioning itself for the coming growth in the area's aging population and the growth in the agency's caseloads. At both facilities, the agency will own the building and land after 15 years.

Creating Funding Increases From Existing Funds

When the buildings' loans are paid, the significant financial resources once dedicated to rent payments can be redirected into expanding and enhancing funding for programs and services for seniors in Marion, Polk and Yamhill counties. In Yamhill County, after the building loan is paid in 2015, the agency will have \$136,680 a year, and when the Salem building's loan is paid for in 2013, the agency will have an additional \$364,548 a year for client services.

Partnership in Food Service Delivery

History

Another innovative way that MWVSSA has stretched limited resources has been to develop a partnership with two other Oregon AAAs, Oregon Cascades West and Lane Council of Governments, to provide food services under the Older Americans Act to a seven-county area. This partnership began in 1992 when the three agencies recognized that opportunities existed through regional cooperation to accomplish efficiencies and economies in service delivery without the loss of quality. Realizing that future funding expectations in Oregon could lead to reductions in services to clients, the three governing boards decided to take a pro-active role, instead of a reactive role, in the future direction of one of their agency's most visible services, the Senior Nutrition Program.

In the Spring of 1992, the three agencies consolidated their efforts for food production and delivery to seniors in the seven counties served by the agencies. The governing boards of the three agencies set forth the following goals to be achieved through their cooperative arrangement:

- Reduce food service costs to participating agencies, while maintaining service quality.
- Improve efficiency of food production and delivery.
- Coordinate and consolidate food service contract management.
- Through the economies of scale, maximize current resources for Nutrition Services.

Process

In order to accomplish these goals, staff of the three agencies spent almost a year defining detailed service specifications that would ensure product quality and maximize current resources. A Request For Proposals was released in order to identify the most responsive provider to contract with for the provision of meal preparation and delivery services out of three central kitchens.

As defined in the Memorandum Of Understanding of the three agencies, a joint Food Service Selection Committee was formed consisting of four voting representatives from each agency. These representatives were selected from the advisory councils of each agency and charged with the task of evaluating and scoring the proposals and developing a recommendation for award of the food service contract. The consolidation of efforts of the three agencies resulted in a contract award that produced immediate financial rewards to all three agencies. As an example, the per-meal reimbursement rate for MWVSSA went from \$2.20 per meal down to \$1.94 per meal, an initial 12-percent reduction in the per-meal cost. Today, MWVSSA pays only \$.53 cents more per meal than it was paying prior to the 1992 consolidation and would pay \$3.42 if the consolidation had not occurred. This consolidation of efforts has produced a per-meal price which is 28 percent lower than it would be without the partnership.

Program Enhancements

Currently, the joint food services contract provides nearly 650,000 meals each year to approximately 11,000 seniors in 32 communities. During the ten years of this project, the three programs have realized an overall estimated combined cost savings in excess of \$1,800,000. These cost savings have not only allowed the three agencies to feed more seniors, but has provided them with funds to implement many program enhancements. The introduction of a dual entree system at all of the meal sites was one of the most significant. Each day, home-bound seniors and meal-site participants have a "choice" in ordering one of two daily hot entrees, including one "heart-healthy" choice per day. In addition, these savings

have allowed the agencies to maintain a quality program that provides "from scratch" cooking tailored to the tastes of northwest seniors. Other program enhancements include theme menus for special events which promote one of the Older Americans Act goals to help older adults socialize.

In 1996, a frozen-meal program was developed to supplement hot-meal service to seniors on weekends. This program also provides meals to eligible seniors in rural communities and to those who live beyond the hot-food, service-delivery area. Seniors are able to make their meal selection from a menu offering 12 complete frozen meals. The ability for clients to make a choice in what they order is one of the significant reasons for the growth in this program. Since the frozen meal program began, demand has steadily increased from 68,000 meals per year to its current level of over 110,000 meals annually, an increase of nearly 62 percent.

In July 2002, a third menu choice will be introduced to attract new participants and to meet the changing eating habits and tastes of current meal-site participants. This third menu option will be a meal that is more like a lunch than a dinner, so it will be a lighter meal than the currently offered hot meal.

The graph at the end of this document visually demonstrates how the food service consortium has lowered unit rates. The creative efforts of these agencies have reduced costs while increasing the number of meals served, improved the efficiency of food production and delivery, enhanced the nutritional quality of meals and eliminated unneeded duplication of facilities and effort.

An Example of Investment of Savings

In March 1996, MWVSSA had 40 monthly payments remaining on the central kitchen's lease/purchase agreement. The agency had specifically requested a prepayment clause be

included in the lease/purchase agreement, so it had the ability to realize cost savings and make the best use of public funds. Utilizing savings from prudent spending and cost savings from the joint food service project, in June 1996, MWVSSA preceded with the full pre-payment of the lease/purchase agreement. It became the owner of the central kitchen facility which was built in 1989. The pre-payment resulted in a cost savings in public funds in the amount of \$25,723.28 due to a savings in interest payments. In addition, the annual loan payment of \$73,456.32 became unencumbered. These funds became available to meet an increased demand for nutrition services.

Consortium Approach to In-home Services

In addition to the successful food service consortium, Mid-Willamette Valley Senior Services Agency is working with Lane Council of Governments and Oregon Cascades West Council of Governments to jointly contract for in-home services for clients.

Since entering into a contract three years ago, the following outcomes have been identified:

- Client services have been improved through standardization of personal and home-care programs.
- The growth of program costs has been controlled.
- Quality assurance mechanisms have been strengthened.
- A large enough volume of work to stimulate interest and competition for bids from possible providers has been created.

Thank you for the opportunity to share information with you about Mid-Willamette Valley Senior Services Agency, the National Association of Area Agencies on Aging and Oregon's long-term-care system. We believe we've offered some suggestions that can benefit other agencies around the country. I look forward to answering questions and would be glad to provide you with additional information.

Footnotes

¹ Mid-Willamette Valley Senior Services Agency's Annual Report, 2000-2001, p.9.

² Special session closes with no tax increases, Statesman Journal newspaper, March 3, 2002.

³ Oregon sees no relief from recession in January, Oregon Employment Department News, February 15, 2002.

⁴ Mid-Willamette Valley Senior Services Agency's Program Activity Cumulative Monthly Report, December 2001.

⁵ Revenue Sources, Department of Human Services, Senior and Disabled Services Division, 2001 Ways and Means Presentation, p. 2-5.

⁶ The "Oregon Model," Department of Human Services Web site, March 3, 2002.
[Http://www.sdsd.hr.state.or.us](http://www.sdsd.hr.state.or.us).

⁷ Ibid.

⁸ Senior and Disabled Services Division booklet.

⁹ Smart Government, The Value of Oregon's Long-Term Care System, Oregon Association of Area Agencies on Aging and Disabilities, January 2002.

¹⁰ Mid-Willamette Valley Senior Services Agency's monthly staff reports, Medicare Compare Web site.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

¹⁴ Percent of Long-Term care clients by type of service, Department of Human Services, Senior and Disabled Services Division, 2001 Ways and Means Presentation.

¹⁵ Ibid.

¹⁶ Annual Medicaid Long-Term care expenditures per person age 65 and older, Department of Human Services, Senior and Disabled Services Division, 2001 Ways and Means.

¹⁷ Percent of Long-Term Care Cost by Type of Service, Department of Human Services, Senior and Disabled Services Division, 2001 Ways and Means Presentation.

¹⁸ Speaker's Task Force on Funding for Senior and Disabled Services, 2001.

¹⁹ AAA OPI Survey 2000, O4AD Contract/Fiscal Managers, August 2000.

²⁰ Congress Needs a Victory for Seniors: Pass the Older Americans Act, by Janice Jackson, Executive Director, National Association of Area Agencies on Aging.

²¹ Portland State University Center for Population Research and Census.

²² Mid-Willamette Valley Senior Services Agency's Annual Report, 2000-2001.

²³ Smart Government, The Value of Oregon's Long-Term-Care System, O4AD, January 2002.

²⁴ Portland State University Center for Population Research and Census.